

(Please type in triplicate)

FISCAL NOTE

Prepared in regard to: SENATE BILL NO. 2128
(List bill or resolution and number, if available, or subject)

Amendment to: _____
(List bill or resolution and number)

Requested by: Legislative Council Date of receipt: January 5, 1981

In the following space note the fiscal effect in dollars of the legislative proposal:

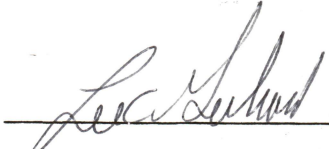
Narrative:

The acquisition of geophysical data including seismic, magnetic, and gravity data, by the office of the state geologist is vital to the continued performance of the state geologist's statutory regulatory and research responsibilities. The acquisition of geophysical data by purchase or by donation is the most cost effective method. Geophysical data that has already been processed is available from the industry at a cost of approximately one sixth (1/6) of the cost of contracting to have a specific geophysical survey performed. Thus, processed data from a seismic survey which may currently cost six thousand dollars (\$6,000) per mile to perform may be purchased at a cost of one thousand dollars (\$1,000) per mile. The acquisition of data by donation is the most cost effective, however, the availability of donated data is expected to be very limited.

Geophysical data may be purchased at costs varying from six hundred dollars (\$600) to one thousand dollars (\$1,000) per mile. The office of the state geologist is requesting thirty-six thousand dollars (\$36,000) which would enable the purchase of approximately thirty-six (36) to sixty (60) miles of processed geophysical data. Subsurface geological studies conducted by the North Dakota Geological Survey have been instrumental in the discovery of significant oil and gas reserves. This has had a beneficial fiscal impact on the state in increased tax revenues and royalty payments.

Fiscal Effect:

<u>1981-82</u>		<u>1982-83</u>		<u>Total Biennium</u>	
<u>Special Funds</u>	<u>General Fund</u>	<u>Special Funds</u>	<u>General Fund</u>	<u>Special Funds</u>	<u>General Fund</u>
	\$24,000		\$12,000		\$36,000

Signed 
Typed Name Lee C. Gerhard

Date Prepared: January 6, 1981 Department North Dakota Geological Survey

If additional space is needed, attach a supplementary sheet.